# CONNECTICUT'S INSURANCE EXCHANGE PLANNING COMMITTEE MEETING JULY 21, 2011

# **Agenda**

**Introductions** 

**Updates on:** 

Legislation
Stakeholder Engagement
Planning Grant Vendor
Level One Establishment Grant
Early Innovator Grant

**Next Steps** 

## INITIAL STAKEHOLDER ENGAGEMENT

### Purpose: To begin building a foundation of understanding

- 6 Public Forums held throughout Connecticut
- 80+ organizations invited to participate
- Consistent themes: Public Forums
  - -Concerns that the Exchange would be affordable
  - -The importance of quality and access to providers
  - -Questions regarding the role of the Navigator
  - -Questions regarding the role of the insurance agent /broker
  - -Pre-existing conditions

# INTEGRATING COMMENTS DOCUMENTS WITH **MEETING DISCUSSIONS**

### ESTABLISH A RESPONSIVE AND EFFICIENT STRUCTURE

### Should Connecticut consider joining a multi-state Exchange?

Probably not.

- A state-specific Exchange may be more responsive to CT's needs
- Could be complex
- Not as accountable to citizens and taxpayers
- Unclear what benefits would be
- Consideration of state nuances should be primary driver
- Give consideration to state laws, consumer protections

# Should CT administer the individual and small group markets supported by Differences in rating exist

Keep the risk pools separate.

- Differences in rating exist
- Should allow plans to sell in either or batiful
- If you have carriers who want to plantiful rindividual or small employer, you could have gaming of the system
- If you find that you have no selection in the individual marketplace and you pool the risk pools, you are asking small businesses to absorb that cost – is it fair to ask small businesses to take on additional risk beyond the risk that they put into the pool?

# **COMPARISON ACROSS PROFESSIONAL GROUP**

Agen's Brokers Producers Consumer Advocates Small Employers Insulance Plans Providers Worth Not in the **Should CT consider** Worth looking No looking best interest into: Consider joining a multi-state of the into, but licensing issues; HIX? consumer but use consider can learn caution merging SAMPLE FORMATES. from other administrative functions

# PLANNING GRANT VENDOR

### Mercer Health and Benefits, LLC selected for planning grant work

Subcontractors include: HMA and Oliver Wyman

- HMA: research and consulting
- Oliver Wyman: actuarial services

### Scope of Work:

- Assessment of the uninsured and underinsured
- Survey and analysis of the current insurance market
- Survey and analysis of small employer market
- Analysis of economic and actuarial models
- Analysis of the large group employer market participation in HIX after 2017
- Analysis of the impact of other health system initiatives on the Exchange
- Develop financial Model for sustainable Exchange
- Assessment of the technical requirements and specifications for Exchange accounting and financial system functions
- Assess the existing Medicaid eligibility system and identify interface issues and necessary requirements for integration with the Exchange IT infrastructure.
- Impact study on Medicaid program
- Analysis of Exchange implementation options

# LEVEL ONE ESTABLISHMENT GRANT

### **Project Areas:**

# 1.) Establish Exchange Administrative Structure and Procure Office space for Exchange Leadership

- Develop administrative and legal functionalities of starting up a quasi-public entity
- Assistance with recruitment and hiring of Exchange leadership
- Assistance with the planning and procure of Exchange office space needs

### 2.) Business Operations

- Work Flow
- Purchase strategy and preliminary cost estimates
- Detailed technical specifications

### 3.) Consumer Support Program Design and Development

- Assessment of existing conditions and capabilities
- Requirements for achieving an integrated consumer experience
- Business process changes, enhancements and implementation strategy
- Technical requirements and contract specifications

# **EARLY INNOVATOR GRANT**

Purpose: leveraging relevant information and findings to assist other states in the design and planning efforts of Exchanges.

### Hired CGI to perform:

- Gap analysis currently being done through this grant assessing Mass Connector as compared to how the States' Exchanges are meant to operate under the ACA.
- Analysis will be shared with collaborating states.
- Vendor will be rendering a "Reusability Scorecard" on Exchange components

A detailed design review "artifact" required by the Innovator grant will be produced.

# **NEXT STEPS...**

Assessing the Proposed Rules. (comments due 9/28) Many questions remain.

- How firm is the deadline?
- How will the premium tax credit and cost sharing reductions work?
- How will the essential benefit regulations be defined?
- What rating role will be played by Exchanges?
- What about smaller insurers?
- What should we expect from Navigators?
- What does success look like?
- How will quality be measured?

Source: Milliman Press Release 7/14